be commensurate with the results likely to be achieved.

Profitability of formulators

994. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that his Ministry did not study the profitability of individual formulators according to DPCO 1979;

(b) whether it is also a fact that due to non-study of profitability, most of the provisions of 1979 Drugs Price Control Order have not been implemented, price revisions linked profitability have not been granted and Government are not aware of irregularities/adjustments carried out by producers to depress their profits as well as the drug industry about decline of profit cannot be accepted without knowing the reasons;

(c) whether it is also a fact that his Ministry has proposed abolition of overall profitability; and

(d) if so, in the absence of profitability study, what system has been proposed in the measures to know the cases involving irregularities, adjustments, transfer of pricing, overinvoicing, actual profits and the methods of siphoning of profits by the Drug Industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROLEUM-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) and (b) As a result of study of from 6 returns submitted by various companies, M/s. Warner Hindustan and Infar (India) were found to have exceeded the permissible limits. Necessary action for adjusting the prices of formulations has already been taken.

(c) and (d) New Drug Price Control Order has not yet been announced by the Government.

Regularisation of unauthorised production of formulations

995. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that under para 6.13 of the new measures, his Ministry has proposed to regularise unauthorised production of formulations;

(b) whether it is also a fact that most of the formulations are vitamins preparations, tonics and other non-essential and useless medicines;

(c) if so, what are the names of those medicines which fall under categories III and IV of Drugs Price Control Order, 1979;

(d) what was the sales turn over of such products, of each company whose production is being regularised.

(e) what are the reasons for general regularisation of unauthorised production;

(f) whether it is also a fact that no study of individual cases has been done before such regularisation; and

(g) the names of bulk drugs for which unauthorised production is regularised alongwith category and production of each during the last three years, yearwise?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) Such details are not available with this Department.

(e) and (f) An Inter-Ministerial Working Group was set up in 1982 to examine the question relating to production of drugs without valid industrial approvals and to suggest possible line of action that may be taken. Details of measures for rationalisation, quality control and growth of pharmaceutical industry of India, giving rationale of each of the decision have

already been laid on the Table of the House in reply to various questions and are also available in the library of the Parliament.

(g) So far no regularisation has been granted.

Uniform norms of production of bulk drugs

996. SHRI BHUBANESWAR KALITA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that his Ministry under para 5.3 of New Measures proposed for uniform norms for production of bulk drugs under proposed price control with different options of return;

(b) if so, what are the details of uniform norms and different options;

(c) whether it is a fact that return will be allowed after determining the cost of production of drug;

(d) whether it is also a fact that cost of production of the same drug would be different in respect of each producer due to technology adopted by each, locational angle and various other factors;

(e) if so, whether it is a fact that there will be multiplicity of prices of each drug;

(f) whether it is also a fact that his Ministry has suggested protection of indigenous production by duty rationalisation; and

(g) if so, how a single rate of duty on bulk drug can protect in case of multiplicity of price?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) to (e) The new Drug Price Control Order incorporating the measures announced in December, 1986 has not yet been announced by the Government.

(f) and (g) Protection for indigenous production of bulk drugs, wherever necessary, would be provided through the tariff mechanism.

Production of bulk drugs

997. SHRI BHUBANESWAR KALITA: Will the Minister of INDUSTRY be pleased to state:

(a) the names of the bulk drugs being produced in the country from basic stages;

(b) what are the major inputs going into the production of these drugs from basic stages;

(c) whether it is a fact that customs duty on inputs going into the production of bulk drugs is higher than on finished bulk drugs;

(d) if so, what is the present duty on each and since when;

(e) whether it is a fact that his Ministry recommended concession of duty on penultimates and intermediates instead of inputs for basic stage production;

(f) what was the justification and consideration for recommendation of penultimates and intermediates and for ignoring basic stage inputs; and

(g) by when duty on inputs for basic drug production will be exempted?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) About 225 bulk drugs are being produced by about 250 units in the organised sector and over 100 units in the small scale sector. Several of these bulk drugs are being produced from basic stage. Out of the 87 bulk drugs which are monitored by this Department bulk drugs such as Dapsone, Insulin, Aspirin INH, RAS and its salts, Chloramphenicol, Frusemide, Prednisolone, Vitamin A, Diazepam, Doxycycline etc. are being produced from basic stage.

(b) to (d) Details asked for are quite voluminous. Time and labour involved in collection and compilation of these details are not commensurate with the results likely to be achieved.